



October 28, 2002

Chairman Michael Powell  
Federal Communications Commission  
445 12<sup>th</sup> Street NW, Suite B201  
Washington, D.C., 20554

Dear Chairman Powell:

On behalf of the Massachusetts Coalition for Competitive Phone Service, I would like to urge you to preserve small telecommunications providers' ability to access unbundled network elements as part of the Federal Communications Commission's review of Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers (CC Docket No. 01-338, CC Docket No. 96-98, CC Docket No. 98-147). The continued use of unbundled network elements is a critical tool in promoting competition for local phone services as intended by the Telecommunications Act of 1996.

The United States Supreme Court and the Massachusetts Department of Telecommunications and Energy have rejected Verizon's argument that competitors are leasing unbundled network elements from Verizon at below-market costs. In fact, the DTE is completing work on a plan to require Verizon to lower its leasing rates. This move will increase competition between providers and bring consumers lower prices for local phone services in Massachusetts. In our neighboring state of New York, consumers are saving more than \$12 per month on phone services provided by competitors who have access to lower UNE leasing rates.

In order to gain entry into the long-distance phone market in Massachusetts, Verizon claimed that competitors had access to its facilities under fair and non-discriminatory terms and conditions that included access to unbundled network elements. Now, Verizon claims that the terms are not fair and is urging the FCC to reverse its policy regarding unbundled network elements. Such a reversal will have a chilling effect on small competitors in Massachusetts who are preparing new local phone offerings based on the DTE's work.

In a recent Boston Globe article, Verizon admitted to having no data to support its claim except that the “company is losing money to competitors in all 28 states where it has conventional phone operations”. Competitors are trying to provide consumers with telecommunications choices despite Verizon’s anti-competitive practices. However, Verizon should blame its income losses squarely on poor business decisions and not on the small competitors who are trying to offer consumers real savings.

Once again, I would like to urge you to maintain the use of unbundled network elements as part of the Commission’s Triennial Review. If you would like more information on this issue, please do not hesitate to contact me at 617-325-4580.

Sincerely,

Michelle Consalvo

Michelle Consalvo  
Massachusetts Coalition for Competitive Phone Service